

CHATHAM AREA TRANSIT AUTHORITY RFP 2020-01, ADDENDUM NO. 1

DATE: November 7, 2019
ORIGINAL RFP NUMBER: 2020-01
PROJECT: CHATHAM AREA TRANSIT AUTHORITY

This Addendum forms a part of the Request for Proposals 2020-01 dated, July 10, 2019.

Questions posed during initial Q&A Period and CAT's Responses:

Question 1: What were the fees paid to the incumbent for the FY2018 audit?

Response: CAT does not release information related to internal contract matters.

Question 2: What are the fees anticipated for the FY2019 audit?

Response: CAT does not provide any internal budget information during the RFP process.

Question 3: How many years has the current audit firm conducted the audit?

Response: 13 years.

Question 4: Is a DBE currently being utilized on the audit contract? If yes, who is the DBE and what is the participation percentage?

Response: CAT does not release information related to internal contract matters.

Question 5: The RFP does not appear to include a format of how CAT desires the RFP response to be organized. It may be beneficial to CAT for evaluation of technical and cost proposals and potential respondents to have at least a general format and what technical and cost information should be provided in addition to the noted forms.

Response: CAT does not require a particular format but does require the proposal to address all areas required by the scope of services.

Question 6: We have access to the 2018 financial statements from your website. Did the auditor issue any other reports such as a letter to the audit committee (SAS 114) or management letter (SAS 115) or other written correspondence or presentation to a committee or board. If yes, please provide the information.

Response: CAT Board structure does not include an audit committee and as such no audit committee letter was required or issued.

CAT has a system of internal controls that is operating as intended. No significant deficiencies or material weaknesses have been identified that would require a SAS 115 letter. CAT's audit does include a report on internal control over financial reporting and on compliance and other matters in accordance with Government Auditing Standards.

Once the annual audit is completed and transmitted to our Board, it has been customary for audit firm personnel to attend either a Board Meeting or Board Committee Meeting in order to address any questions our Board members may have related to the audit.

Question 7: Are there any financial or operational activities for 2019 or anticipated for 2020 and beyond that are significant to change the scope of the audit work over the 3-5 year time period.

Response: No material changes in activity level are anticipated. The timing and volume of completed projects utilizing federal grant assistance can vary each year but the minimum level of grant assistance received in any one year is always expected to meet the federal threshold with similar audit procedures required.

Question 8: What financial systems does CAT use (G/L, Fare System, Payroll, Other financially significant systems)?

Response: MUNIS from Tyler Technologies

Question 9: Does the RFP require the use of a DBE? Or, does it just impact the scoring evaluation criteria?

Response: The RFP does not require the use of a DBE but does allow additional points in the evaluation scoring for a DBE or use of a DBE subcontractor.

Question 10: Section 1.6 (1) – as written, this clause may violate AICPA professional standards on independence. Is CAT willing to negotiate contract language to comply with standards that all CPA firms must follow?

Response: This clause is standard for CAT as a state legislated local government authority. Negotiation of an acceptable compromise based on the nature of the engagement is possible, as long as the compromise allows CAT to remain in compliance with applicable local, state and federal regulations.

Question 11: Section 1.12 - Is this solicitation subject to mandated, encouraged, or permitted statutes that would allow for state or local preferences? If yes, what are CAT's preferences?

Response: CAT is regulated by the Federal Transit Administration and is allowed to provide measures that level the playing field for certified DBE contractors. This is done

by awarding points to DBE contractors in our evaluation process. We have no other state or local preferences.

Question 12: Section 1.30 - – as written, this clause may violate AICPA professional standards on ownership and access to audit workpaper records. Is CAT willing to negotiate contract language to comply with standards that all CPA firms must follow?

Response: CAT must grant the Comptroller General of the United States access for audit and inspection, as described in 1.31.1 – 1.31.3, in order to remain eligible for federal grant assistance. CAT is open to negotiating contract language as long as we remain compliant with regulatory requirements.

Question 13: Section 1.33 – DBE – what participation would qualify for the full 10%?

Response: A proposing entity is required to be a Georgia certified DBE to receive the full 10% of the award criteria and a graduated scale of up to 5 points will be allocated to a proposer that utilizes DBE subcontractors.

END OF ADDENDUM NO. 1